App F, IX—4

Previous Referen

1955-6
(CM)

9-55

File No 9-55 L2

Serial Nos 2, 4, 5, 6 or 8

Later References
4 to 6 CRBs
CM 215 GCA

MYS NMENT SECRETARIAT

ional Nos Secx

9-62-E

Part B for

SUBJECT

Audit of Store Accounts & Engineering Equipment Accts

WD 03758—GPB—60 000—10 10-58

GOM 11419-23/CM9 (5 Oct 27 10 52)

PB

JK

1/4/60

I G S APP F III—1½

MYSORE GOVERNMENT SECRETARIAT

(CM)

NOTES

File No

FILE HEADING

FROM The Special Officer Efficiency Audit Bl

No EA 552/54-5 Dated 28 10 54 Received 28 10-54

Diary No 5369 Enclos 3 Spare copies _ Serial No

BRIEF ABSTRACT OF LETTER

Requests instructions as to whether further proceedings may be taken to audit the Steel accounts of the Corporation for the Period 1940-4

Submitted

NOTES AND ORDERS

1) Government in Their Order No L 8472/CM 10-54-10 dated 13-10-54 have dropped the matter. ~~In further action~~ On issue of this Order, the Efficiency Department need not proceed with the audit of Steel as required in their Office letter dated 21-5-54 (Copy) A draft addressed to the Special Officer stating that the matter has been dropped is put up for approval

12/11/54 14/11

2) The Special Officer, Efficiency Audit, has s a report to Government stating that though the mat

NOTES—First Sheet

Audit & Stores accounts of Corporation for 1940-48

deserved further examination and recovery from Sri Bhombore a sum of Rs 2,633/- yet Government have passed orders, that there is no need to pursue the matter He has sent the audit note pertaining to the Stores account of the Engineering Department of the erstwhile Bangalore City Municipality for the period from 1-7-1946 to 30-6-48 The Special Officer has observed as follows in the letter dated 25th Oct 1954 -

"In this connection I may bring to your notice that while the Government Order reads that the said resolution of the Corporation is approved, the preamble to the above Government Order refers only to the first part of the resolution referring to cement shortages and does not seem to relate to the shortages of building materials valued at Rs 10,000/-

Further I am given to understand that the Auditor, Corporation of the City of Bangalore has pointed out to the Commissioner in his letter No 301 C A dated 27-5-1953 that inasmuch as the Government Order relates to the question of finance the order should be communicated through Finance Department as per Article 391(a) of Mysore Financial Code Vol I and evidently no action seems to have been taken by the Commissioner on the point raised by the said Auditor

In this connection I am of the opinion that the Commissioner should have answered the audit objections point by point with reference to the available records. Total shortage of stores of the value of Rs 10,000/- should have been fully investigated and action taken for the recovery of the verifiable amounts Secondly the write off of Rs 2,632/- may not have also been deserved in view of the fact that the prosecution of Sri S R Bhombore was withdrawn only on the assurance that the amount would be made good by him In the light of the above circumstances, I request further clarification by Government before I could proceed in the matter //

The extract of the audit note is given below to know the seriousness of the matter -

"The special audit report which was issued on 13-8-49 has brought to light several irregularities of very serious

5369/1010

Audit of Stores Accts of Corporation (3)

nature which were incorporated in objection statements numbering 1 to 353 given to the Municipal Commissioner for furnishing replies The Auditor has estimated the probable value of the building and other materials found as not accounted properly to the extent of about Rs 10,000 From the audit report it is also seen that the major po of the irregularities have been committed during the in bency of Sri S R Bombhore as Store Keeper It is seen that none of the objection memos issued by the Auditors have been replied to by the Engineering Section even to this date No honest attempt has ever been made by any of the concerned officers to reply the Audit Note in spite of repeated reminders from the Audit Office and Government The explanations furnished by the three of the responsible officers who held charge of the Enginee ing Section during the period covered by audit viz , Sri R Madhavan, (2) Sri S Biligiri Rao and (3) Sri K Padmanabhan for not answering the audit objections are not at all convincing Instead of putting their heads together and trying to meet the objections with the records available, they have dealt at great length of what they have already done and have tried to shift the blame as far as the responsibility for the irregularity is concerned The objection statements seems to have been sent to Sri S R Bombhore for furnishing replies But he too seems to have slept over the matte not caring for the consequences Finally on 20-11-52 the Corporation Engineer reported that the Audit objections could not be reconciled for want of necessary vouchers by any one of the existing incumbents and that the objections in most cases require merely book adjustments not involving any financial loss to the Corporation and that under these circumstances it was

S369/2nd.

Audit & Stores A/cs & Corporation

not possible to furnish the details for Rs 10,000/-
Based on this report the Standing Committee (Accounts)
recommended to the Corporation on 24-12-52 that the
sum of Rs 2,632/- due by Sri S R Bombhore, towards the
loss of cement bags be written off as no details were
available and that as the responsibility for the missing
building materials cannot be fixed, the matter may be
dropped

.ly the Audit Note states as follows -
iis connection it has to be stated that the
:ommittee (Accounts) has recommended for the
of a sum of Rs 2,632/- due by Sri S R Bombhore,
:eeper for the reason that the Engineer had
:hat no details are available This assumption
be upheld as the detailed audit report of the
:r dated 27-6-48 has brought out clearly how
been a shortage of 1958½ bags of cement valued
)/- between the period 23-1-45 and 12-4-48
.s, sum of Rs 5,200/- was immediately made good by
Keeper, Sri Bombhore leaving a balance of
still to be recovered Sri Bombhore has also
make good even this balance amount vide his
:ated 2-7-48 wherein he had requested that the
' pay and other allowances due to him may be
owards the balance amount due by him On
f this undertaking by the Store Keeper, it is
how the Accounts Committee could recommend for
off of this shortage on the alleged ground
etails are not available "

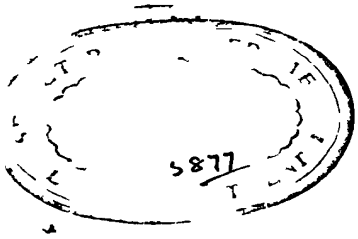
iew of the above, it is better to recover the
unt from Sri Bombore & further others the concerned officers and officials
a responsibility sheet prepared by the Special

$507/one

Audit of Stores A/cs of Corporation

Officer, Efficiency Audit If this is approved the orders issued previously have to be revised
The Chief Secy may kindly peruse this record

Secy (Dy) 23/11



6) The letter has been signed by the S O i/c I would prefer to have the views of Sri K P Ramanathan

7) The letter does not refer to our letter of 13/x/54 Request the S O to look into the matter afresh and send his considered proposals If need be he may discuss the matter with the Commissioner of the Corporation also

GK
26/11/54
16/11

8)

17/11 SO
29/11

7) Issue
24/11

The Spl Officer Efficiency Audit
L 12159 dated 28 12 54
Cales for retired Tribunal

Cy to Commr Cals
L 12160 of 28 12 54

SVA
29/11

S'369/ave 7447

Audit & Accts of Corporations

To
The Special Officer, Efficiency Audit
Letter no CA 991/53 & dt 7-1-55
Seeks clarification to frame the matter

10) Government in their
Order No L 2392-94/CA 100-53 dated
21-5-53 have ordered the writing off
of a sum of Rs 2632/- due from the
S R Bombhore Government have also offered
to decide the question of Audit & accounts
in view of the above orders, the Special
Officer seeks clarification to Reverse Person
the instructions for orders into reference
to Paras 6 & 7 supra

Please note upon the portion in item 2 of the letter dt 18/1

dt 18/1/55

Please see the letter

11) The point raised by the
Special Officer is that the G.O
Preamble portion of the G.O dated
21-5-53 reads about write off of
Rs 2632/- and the resolution reads
about sanction of the amount
and also dispensing with
up of responsibility for the loss of
Building materials Government
have ordered the resolution
Cabinet dated 25 3 53

S'369/one S'7447/one (4)

Audit of Stores of A/cs & Corporation

No Power ex Notes the appeal of Government refers to both the points or only to writing off of the amount when the Restriction has been appealed, it means that both the points are appealed the ~~orders~~ Paras 84 to 85 of the Collection CH 100-S'3-2 refer to both the points for orders

Ok 19/11

12) As regards cement shortage, orders were passed already — vide orders No L2392-94/C IV 100-53-2 & 21-5-53-flg V regard to the other question of group responsibility for the missing building materials, the corporation have also decided to drop the matter — vide resolution dt 25-3-53 — flg W The entire resolution was approved in the Govt dt 21-5-53 (1 ie the Govt also approved the proposal to drop the question but the Govt, the facts of the case are not properly brought out in the preamble portion of the Govt Hence, the special officer has raised this point The special officer may perhaps be informed in detail

Ma 20/1

13) Govt note reference to by the Spl Officer in her letter

11/2

S 369/mc 57467/mc

Audit of Stores' Accounts of the Corporation for 1960-68

14) Restricted Rs Notes forwarded by the Special Officer along with his letter dated 28.10.64 are in the file (Pg xx) Rs Copies of the same notes both which are stated to have been sent, have not been received

11/12 5.00 11/12

15) Draft a letter that both the points referred to in the Resolution are agreed

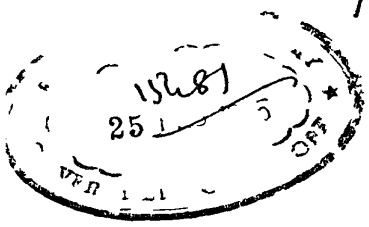
13/11

16) Draft letter as put up for appl

16/12 5.00 22/12

17)

Secy (Gen Ldg)



18) None of the letters Rs as cited beg the Dr of Es & the rate and blagged at pc & V refers to the loss of Rs 10 000 on account of building materials Even as per Cl 13 & 54 does not amount to or tantamount to Rs 2,632/- being Current Charges Therefore here Can we drop the Question

Audit of Stores accounts of the Corporation for 1940-48

Mysore Government Secretariat | 7447/sel File No of 195 | [App I III 2]

Serial No

Rs 10,000/- referring to Lumsum ~~material~~ Please examine

D 7/3/53

Rly 2/3

19

Collection CH 100 SS 2.

Kindly reference is invited to Paras 83 & 84 where two points (i) arise of a sum Rs 2632" (ii) further loss Canara to accounts have been considered and approved at Para 85 of Collection CH 100-SS-2 the resolution of the Corporation dated 25-3-53 which contains the above two points has been approved in G.O dated 21-5-53 Hence ~~the appeal~~ read the two points referred to above have been considered for orders

Rly P & W

Rly

Ref H/6/55 dtd 7/3

Reference is invited to Para 103 of Collection CH 100/SS/2 placed Secretariat Dept) 20 Rly 2/3

pl (Group Officer) to see Rly 2/3

Discussed

21

Can Shivadeva bring up the file dealing with the above matter

D 5/4/53

Discussed with Sri Ganapathi Subbaiah Asst Secretary Commercial Dept

Audit of the Stores Accounts of the Corporation for 1940-48

File No 7447/on C of 19 .

Mysore Government Secretariat

Serial No

Discussed with the Secretary L.S.G. on 14-4-53. The Assistant Secretary L.S.G. has also perused the Secretary has ceased to observe as follows

" None of the letters and G.Os cited above by the Dy Efficiency Audit refer to the loss of Rs 10000/- on account of Building materials Even one letter dated 13-10-54 does not refer to it but only to Rs 2632/- being Cement shortages Therefore the Director Special Officer, Efficiency Audit has to be informed accordingly

23) The Special Officer Efficiency Audit is of opinion that the write off of Rs 2632/- may not have been decided in view of the fact that the Prosecution of Sri S R Bhombore was withdrawn only on the assurance that the amount would be made good by him This point has also been raised at Para 5 supra

PWD I Para cost.

For orders whether the

24)

Audtd & the Sec's account of the engineering Labour & the Corporation

[App F III 2]

Mysore Government Secretariat | 7447/nie File No of 1954

Serial No	
	Special Asst Efficiency Audit may be requested to re-investigate both the matters (I) Loss of building Materials costing Rs 10000 (II) Recovery of Rs 2632 from [illegible] mbers. References 21, and 22
	18/4/55 23) Dft a letter 24
26	Draft letter is put up 22/4/55 25) Pl put up a typed draft by 25/4
28	Typed draft letter is put up 25/4 21) Dft letter is put up for appl This letter may have to be perused by the Chief Secy because, the matter of recovery of Rs 2632/— had been examined in that Audit case and it had been ordered to be dropped But now, the Spl Officer has raised that point again along with the recovery of Rs 10,000/— and therefore if what the Corporation had stated previously is not correct then the matter has to be examined again The same point has been noted in the draft letter Secy (Com & Ind)

1954 2 MAY 25

NOTE—Continued sheet

Audit of the Accounts of the Secretariat Establishment 1940-48

File No 3407/210 of 19

Mysore Government Secretariat

Serial No

Please see paras 12 and 24 (a) of the note. What action has to be taken as at the time of the Director of Audit's visit for further action

Reb para 29

(Ch Sd) 4/5/55

315

31) I have made some corrections. The draft letter may also be seen by the Minister before issue

(Asst Secy) 3/5

(32) AS (Ml) Please check and see whether "observed" in line 3 of para 4 of the letter is not clear to one

4/5/55

(33) Discussed

(34) To be issued as above for which para of the letter

14/5/55

(Minister Edn) (35)

23/5/55

25/5/55

2618

3 MAY 19 1619

2022 4 MAY

OFFICE OF THE MINISTER FOR PUBLIC HEALTH & LOCAL SELF GOVERNMENT 16 MAY 1955 No 948

5 MAY

Audit of Stores accounts of the supervising officer
Corporation

13

[App F III 2

Mysore Government Secretariat | File No 7447/Aud of 1954-55

Serial No	
	From Special Officer Efficiency Audit L 2065 9-55-2 dt 28-5-55 regrets to UDD enquiry enclosed Cheque for Rs 70000 rupees
36	As per intimation in file No 1527/55 draft letter to the Spl Officer, E A to collect his report is put up Received 29/6
	37) Issued
	The Special Officer Efficiency Audit Bangalore L 3782/6 dt 30 Calls for a report enquiry
	From The Special Officer Efficiency Audit Letter No EA 698/556 dated 13-7-55 Requests that the Commissioners CCB may be addressed to make available the Records
38	The Special Officer E A has requested Government to address the Commissioners CCB to make available the records. The

NOTE—Contn sheet

Audit of the Steel Engineering Section
Coimbatore - 1940-48

File No 7447/27284/one of 19..

Mysore Government Secretariat

Serial No

Communication has not come available to the Record on the ground that the matter has been settled finally as per orders of Government dated 13-10-54 Para 17

For orders Whether the Communication can may be addressed to make available the records on the lines of the clarifying the Rehias orders as has been done in the letter issued to the Special Steel Page 16 (Para 4

28/8

HOD) A — Draft letter ~~enclosed~~ for appl yours Secy

2618

Draft letter is put up for appl

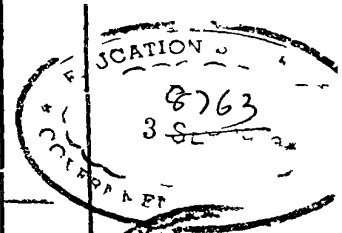
27/8
31/8 Mas/9 Secy Edn & Lab)

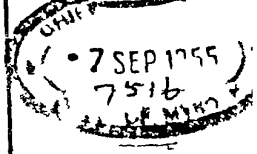
42) For further issue

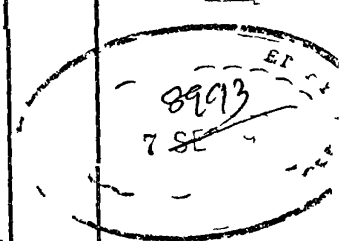
Chs Sec
Com Secy) 43) 7/9

9955

9/9







D 0,074—GEP—80 CCC— 10

Audit pas from year 1940-41

15

Mysore Government Secretariat

7447 / File No 2324/me / 621 of 195

[App F III 2

Serial No

46) The draft letter submitted is for kind approval
Mg 9/9

45) Issue
13/9

To

The Comr. e.g.c. Bldg. thro' Mayor
Issued No L 7425/CM 9-55-5 H 17/9/55
Requests to make available the records
to the Spl officer for scrutiny very early
Copy to the Spl Officer Eff Audit
Memo - No L7426 H 17/9/55

From

The Comr. e.g.c. Bldg. Letter
No D5-429/47-48 dated 5/11th October 1955
stating that all the available records
in the subject have already been sent
to the Spl officer, Efficiency Audit - Blr.

46) Now the Special officer may be
requested to send the report called for immediately
Draft letter is submitted for
Mg 24/10

47) Issue
25/10

The Special Officer
Efficiency Audit Blr
L 9566/CM 9 55 7
Dt 2-11-55
Calls for a report as the Audit

Draft
28/11

NOTE —Contn sheet

8 AI 583 7/567

File No of 19 Mysore Government Secretariat

Serial No

Retransmitted

The audit report issued by the Special Auditor - on 13-8-1949 on the store accounts of the erstwhile - Bangalore City Municipality relates to the period from 1-7-1940 to 30-6-1948 wherein a loss to the tune of Rs 10,000/- being the probable value of the building and other materials not properly accounted for has been brought to light The following were the Engineer Officers and the Store Keepers that were in direct charge of the Store Section

Municipal Engineers

1	Sri D Govindappa, B Sc	From 1-7-40 to 31-8-44
2	Sri R Madhavan, B E	From 1-9-44 to 27-4-47
3	Sri S Biligiri Rao, B E	From 28-4-47 to 30-4-48
4	Sri K Padmanaban, B E -	From 1-5-48 to 13-5-48
5	Sri G Krishnaswamy, B E	From 14-5-48 to 30-6-48

STORE KEEPERS

1	Sri T Ramaswamy Setty	From 1-7-40 to 22-1-45
2	Sri S R Bhombare -	From 23-1-45 to 12-4-48
3	Sri S V Surappa	From 13-4-48 to 30-6-48

49) The defects and irregularities numbering 1 to 353 noticed in the Special Audit were incorporated in Objection Statements which are seen to have been given in 16 batches to the Municipal Commissioner for furnishing replies, viz ,

Contd -

CHIEF SECRETARY 8 JUN 1956 GOVT OF MYSORE

WD 0 074—GIT—80 CCC—5 10 4

Batches	Audit objection Numbers	Date of receipt in the Bangalore Municipality
1	1 to 33	20-9-1948
2	34 to 58	25-10-1948
3	59	6-11-1948
4	60 to 66	6-11-1948
5	67 to 103	4-12-1948
6	104 to 143	4-1-1949
7	144 to 177	11-2-1949
8	178 to 224	8-3-1949
9	225 to 242	18-3-1949
10	243 to 255	4-4-1949
11	256 to 268	5-4-1949
12	268 A to 292	20-4-1949
13	293 to 310	10-5-1949
14	311 to 319	13-5-1949
15	320 to 328	17-5-1949
16	328(A) to 353	7-6-1949

50) A consolidated statement of different articles of stores found as shortage has not been worked out by the Auditor nor is a statement of differences pertaining to the two Store Keepers Sri T Ramaswamy Setty and Sri S P Bhombore assessed Even the figure of Rs 10,000/- specified by the Special Auditor as the extent of loss to the Municipality is an approximate figure as disclosed in the audit report itself which reads as follows (Vide para 19) -

> "The exact loss could not be assessed as the stores accounts are maintained on a quantity basis only and values cannot readily be ascertained The extent of loss to the Municipality may however be roughly estimated to exceed about Rs 10,000/- in round figures "

51) For purposes of chargesheeting the officials

responsible for the losses it is very necessary to fix the value of articles indicated as shortages in the Audit Report and to analyse the shortages between the first two Store Keepers who held charge between 1-7-40 to 12-1-1948 This work involves the verification of original supply bills of the stores as also an analysis of the differences contained in the objection statements running to 428 pages involving enormous clerical work Since this office has not enough staff to go into these details this work may be entrusted to the Auditor attached to the Bangalore Corporation and to the Controller of State Accounts

52) A general review of the 353 objection statements discloses the following types of irregularities

(1) Omission to bring the articles purchased on the Stock Register The total loss to the Municipality on account of this irregularity is estimated at Rs 3,340/-,

(2) Unauthorised issues of articles from stores without regular indents,

(3) Fictitious issues, tampering of original figures in the Indent R resulting in the falsification of accounts,

(4) Non-production of an important Account Register viz , Stock Register of tools and Plant for the period from 1-7-40 to 8-1-1943,

(5) Substituting old articles for new ones with a view to make up differences in stock balances,

(6) Large differences between book and counted balances as disclosed at the time of periodical stock verification,

(7) Incorrect carrying forward of balances of articles from one stock register to another resulting in losses,

(8) Cancellation of entries in the Stock Register without authority

53) The above irregularities are such that the Store Keepers concerned alone can give an explanation for the several omissions and commissions in this regard, and after due consideration of their explanation, the exact loss should be traced to them The Special Auditor has however observed that the major portion of the irregularities have been committed during the incumbency of Sri S R Bhombore, Store Keeper

54) The correspondence files sent by the Commissioner, Bangalore Corporation, disclose that a number of attempts made to obtain the explanation of Sri Bhombore to the several objection statements of the Special Auditor received from time to time have proved futile It is felt that Sri Bombore is answerable for the major portion of the differences as opined by the Special Auditor

55) At the same time special notice has also to be taken of the failure on the part of the Engineer Officers that have failed to exercise adequate supervision over the work of the Store Keepers which has enabled the Store Keepers to defraud the Municipality

56) In letter No L 2065/CM 9-55-2 dated 28-5-1955, the Secretary to Government, Education and L S G Departments has intimated that the balance amount of Rs 2,632/- being the shortages of cement bags was ordered to be written off the accounts by Government on the ground that there were no details and that the responsibility could not be fixed, as recommended by the Corporation But this contention may not be correct since the loss on cement

account is of a specific nature for which full details are available in the Special Audit Report dated 27-6-48

The total shortage of cement bags for the period 23-1-45 to 12-4-48 is assessed at 1,958½ bags costing Rs 7,833/- and this shortage pertains to the period during which Sri S R Bhombore was the Store Keeper From the record it is seen that the explanation of Sri S R Bhombore was called for by the Commissioner on 29-4-1948 and again on 1-7-1948 But no specific explanation of Sri Bhombe for the alleged shortages is on record He ought to have offered his explanation and reconciled the figures Having so far not adopted any procedure under which specific charges were framed and communicated and findings given on the explanation received thereon, it cannot be said that any blame for these shortages are traced to this Store Keeper so far If he is fully exonerated as now recommended by the Corporation in Commissioner's letter No B12 195/55-56, dated 1-6-1955, Sri S R Bhombore has a valid ground to claim back the sum of Rs 5,200/- which was deposited by him during the course of audit as there is nothing on record to show that the objections have been proved against him

57) The case of shortages under other store articles estimated at over Rs 10,000/- has to be similarly dealt with

58) In this view if the Government intends to pursue the matter in view of the fact as the audit report discloses serious lapses, the Government Orders have to be with drawn as they were not routed through the Financial Secretariat and required the Commissioner to frame specific charges with regard to the shortages under cement amounting to Rs 7,833/- and to other items of the stores valued at Rs 10,000/- and draw up the findings after obtaining the explanations of the officials

K P Ramanathaiya
8/6

(K P Ramanathaiya)
SPECIAL OFFICER,
EFFICIENCY AUDIT

8/6/56

CHIEF SECRETARY
8 JUN 956
GOVT OF MYSORE

A S (Retd Chief Secretary)

8/6/56

59) For favour of further action

(A S Retd Secy)

13/6

Rec'd 14 6 56

EDUCATION & ... 3669 15 ... 1956

6) Subj: The above unofficial note of the Special Officer Efficiency Audit is for kind perusal.

The views expressed by the Special Officer Efficiency Audit in paras 56 57 & 58 are for orders

It is also for consideration and orders whether the Special Officer Efficiency Audit to whom another file AN 4602/Ind related on the subject was sent to him unofficially on 28 4 56 may be requested to return the same – refer paras (46) and (47) supra

18/6/56

CHIEF SECRETARY 2853 12 JUN GOVT OF

61) In Para 58. it has been suggested that the GO has to be withdrawn if Govt intends to pursue the matter As serious omissions have been brought to light and as the Engineer Officers have failed in their duty and as accounts are available, the GO no 2392-94/CM 100-53 Flag U dated 21-5-1953 has to be withdrawn for orders whether this GO may be withdrawn and taken up for framing charges and for further enquiry

(Chief Secy)

20/6

MINISTER FOR PUBLIC WORKS No. 1457 23 JUN 1956

OFFICE OF THE MINISTER FOR PUBLIC HEALTH & LOCAL-SELF GOVERNMENT 30 JUN 1956 1496

SECRETARY 16 JUL 1956

14) I have gone through in detail the big volume of correspce and the Notes & orders on the subject and scrutinised the draft G O prepared with refree to the facts of the case There are two items of losses — one shortage of building materials and other stores and the other loss of cement bags In the draft G O dtd with a Sohtang G O relating to concé Offr is cited in the preamble. It does not give at all any indication of the total amount of loss on account of shortage of cements, the amount already recovered from the ex Store keepr & above the other loss owing to shortage of building materials to the tune of Rs 10,000 Nor is there a refree to the Spl Audit Report giving in brief the facts of the case — Draft G O requires ~~correction~~ correction - recasting and resubmission

Mysore Government
Secretariat

Audit of Stores Accounts of the Engineering Section of Corporation

File No 502 1/Ind of 195

[App F III 2

Serial No

EDUCATION & L.S.G. SECRETARY
2600
9 OCT 1956
GOVERNMENT OF MYSORE

65) Draft G O in the kind attd
As this is an important order, facts
& the case in detail has to be incorporated
as they were not mentioned in full
in any of the previous communications
hence there was delay in putting
up a communication, draft

9/10/56

Secy, L S G) 66

Xxx
Issue dispute

67 Discussed Action by the Secy

68 Issue draft G O

work up the Secretariat

22/10/56

To
The Commr, C C B Thro Mayor,
" Controller, S A D
" Special officer, Efficiency Audit
" Chief Engineer
" Auditor, C C B
G O No L 11419-23/CM 9-55-8 dy 27/10/56

File No of 195

Mysore Government
Secretariat

Serial No

WD 0960—GPB—P Z S 1 30 000—21-5 55

Mysore Government Secretariat | File No | of 195

Serial No		

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Mysore Government
Secretariat

Serial No

WD 0960—GPB—P Z S 1 30 000—21-5 55

Mysore Government Secretariat | File No | of 195

Serial No		

Note — Next Sheet

File No of 195

Mysore Government
Secretariat

Serial No

WD 0960—GPB—P 4 S 1 30 000—21-5 55

Mysore Government
Secretariat

File No of 195

[App F III 2

Serial No

File No of 195

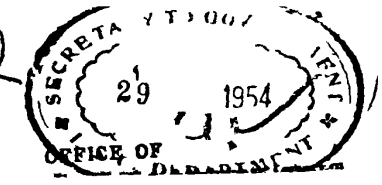
Mysore Government
Secretariat

Serial No

WD 0960—GPB—P 4 S 1 30 000—21-5 55

App

GOVERNMENT OF MYSORE



5369

App

File No Serial No Bus Regr No 112/C

all issue a reminder to S O, S A for a reply to this Office No 12159 dated the 28-12-53

ubject present of the Stores Circle, of the Engineers / Con-

WD 03o50—GPB—15 000—31 8 53

Orders	Reminder No	Date	Remarks

File No of 195

Mysore Government
Secretariat

Serial No

WD 0960—GPB—P Z S 130 000—21-5

GOVERNMENT OF MYSORE

OFFICE OF THE SPECIAL OFFICER FOR ENFORCEMENT OF AUDIT,

BANGALORE

No EA 554/54-5
Encs

Date 28th October 1954

To

The Secretary to the Government of Mysore
L.S.G. and Planning Departments, BANGALORE

Sir

SUBJECT - Audit of the stores accounts of the Engineering Section of the Corporation of the City of Bangalore for the period 1940-48

I write to state that consequent on the receipt of your communication No L 1830/G M 10-54-4 dated 21-8-54 on the above subject a reference having been made to the Commissioner of the Bangalore Corporation he has invited my attention to the marginal letter addressed to you where he seems to have sought for orders to treat the matter as closed in the light of the Government Order No L 2392-94/C M 100-53-2 dated 21-5-1953 which is assumed by him to have approved the Corporation resolution No 40 dated 25-3-53 in toto It will be seen that in the above resolution of the Corporation, they have sought the approval of Government -

No A S 429/47-48 dated 7-7-54

1 to write off the accounts, a sum of Rs 2,632/- due by Sri S Bhombore Ex-Store Keeper, Bangalore City Municipality being the outstanding balance under cement shortages

and

2 for dropping the question of fixing responsibility for the missing building materials worth Rs 10 000 as the matter cannot be pursued in the absence of adequate details of records and references

In this connection I may bring to your notice that while the Government Order reads that the said resolution of the Corporation is approved, the preamble to the above Government Order refers only to the first part of the resolution referring to cement shortages and does not seem to relate to the shortages of building materials valued at Rs 10,000/-

Further I am given to understand that the Auditor, Corporation of the City of Bangalore has pointed out to the Commissioner in his letter No 301 C A dated 27-9-1953 that inasmuch as the Government Order relates to the question of finance the order should be communicated through Finance Department as per

Article 391(a) of Mysore Financial Code Vol I and evidently no action seems to have been taken by the Commissioner on the point raised by the said Auditor

In this connection I am of the opinion that the Commissioner should have answered the audit objections point by point with reference to the available records Total shortages of stores of the value of Rs 10,000/- should have been fully investigated and action taken for the recovery of the verifiable amounts Secondly the write off of Rs 2632/- may not have also been deserved in view of the fact that the prosecution of Sri S Bhombore was only withdrawn only on the assurance that the amount would be made good by him In the light of the above circumstances I request further clarification by Government before I could proceed in the matter

A short note on the subject as extracted from the records made available by the corporation is herewith enclosed for your kind perusal

Yours faithfully,

(S. Ramachendra Gupta) 28/10/59
SPECIAL Officer I/C

Audit of the Stores Accounts of the Engineering Department of the erstwhile Bangalore City Municipality for the period 1-7-1940 to 30-6-1948 by the local auditors of the former Comptroller's Office

The name of Municipal Commissioners, Municipal Engineers and Store Keepers that held offices during the period of special audit are as follows -

Municipal Commissioners

Sri S Narayana Rao, M A (Hons) & (relieved)	1-7-40 to 27-8-42
" A A Khan, B A & (dead)	28-8-42 to 1-2-43
" M Ramachandra Rao (Health Officer) in charge (& Retired)	2-2-43 to 21-2-43
" P Suryanarayana Setty, B A LL B (& Retired)	22-2-43 to 25-6-44
" R Madhavan, B E (Municipal Engineer) in charge (& real)	26-6-44 to 2-1-45
	1-10-45 to 6-10-45
" K Subba Rao, B A (& Retired)	3-1-45 to 30-9-45
" Shafi Darashah, B A	7-10-45 to 12-7-48 and 4-4-49 to date of completion of audit
" A S Khaleel B A, B L (& Retired)	13-7-48 to 3-4-49
" A S Venkatachalam (Health Officer) in charge (& Retired)	4-4-49

Municipal Engineers

" D Govindappa, B Sc &	1-7-40 to 31-8-44
" R Madhaven, B E &	1-9-44 to 27-4-47
" S Baligiri Rao, B E &	28-4-47 to 30-4-48
" K Padmanaban, B E &	1-5-48 to 13-5-48
" G Krishnaswamy, B E (on leave)	14-5-48 to date of completion of audit

Store Keepers

" Ramaswamy Setty	1-7-40 to 22-1-45
" S P Bombhore	23-1-45 to 12-4-48
" S N Surappa	13-4-48 to date of completion of audit

The Municipal Commissioner, Bangalore City Municipality in his Memo No A5 C 429/47-48 dated 24-2-48 addressed to the Comptroller, desired that an audit of the stock and account books of the Municipal Stores of the Engineering Department may be arranged immediately Presumably want of sufficient staff to handle this extra work, the Audit Section took up the audit of the accounts relating only to cement as certain grave irregularities were suspected with regard to this item The audit was confined to the period from 23-1-45 to 12-4-48 i e , the period during which Sri S P Bombhore was the Store Keeper, for the reason that the

transactions relating to the receipts and issues of cement were the heaviest and it was also learnt that there was some discrepancy in the accounting of cement bags during this period This special audit brought to light a huge shortage of 1958½ bags of cement costing Rs 7,833/- Out of this shortage a sum of Rs 5,200/- appears to have been recovered from Sri Bombhore, Store Keeper and credited to Municipal Treasury on 30-4-48 Sri Bombhore was placed under suspension from 1-7-48 and a complaint was also lodged with the Police on 2-7-48 In this petition dated 2-7-48 Sri Bombhore requested that the arrears of pay and other allowances due to him may be adjusted towards the balance amount due by him. Again on 27-8-48 he submitted a Memorial to the President of the Bangalore City Municipality requesting for the withdrawal of the case launched with the Police This matter was considered by the Council on 6-12-49 when it was resolved that in view of special circumstances pleaded in the petition and the long period of service rendered by him and in view of the fact that major portion of the amount was already deposited by him and as the balance if any could be realised from out of his pension and other sums due to him from the Municipality it was recommended to Government that the prosecution be withdrawn and the matter be dropped and he (Sri S R Bombhore) be compulsorily retired forthwith as suggested by the then Municipal Commissioner The case was ordered to be withdrawn in letter No P 1666/Pol 40-50-2 dated 15-5-50 from the Chief Secretary to Government, Home Department to the District Magistrate, Bangalore District

The Comptroller's Office went further into the matter by a special audit of the other accounts of the Municipal Stores which had not been audited for a number of years beginning from 1-7-40 to 30-6-48, with a view to see how far the accounts were maintained properly, and whether the Municipality had not sustained any loss as a result of irregularities committed in the maintenance of accounts " The special audit report which was issued on 13-8-49 has brought to light several irregularities of very serious nature

which were incorporated in objection statements numbering 1 to 353 given to the Municipal Commissioner for furnishing replies The Auditor has estimated the probable value of the building and other materials found as not accounted properly to the extent of about Rs 10 000/- From the audit report it is also seen that the major portion of the irregularities have been committed during the incumbency of Sri S P Bombhore as Store Keeper It is seen that none of the objection memos issued by the Auditors have been replied to by the Engineering Section even to this date No honest attempt has ever been made by any of the concerned officers to reply the Audit Note in spite of repeated reminders from the Audit Office and Government The explanations furnished by the three of the responsible officers who held charge of the Engineering Section during the period covered by audit viz Sri T Madhavan (2) Sri B Bhagiri Rao and (3) Sri K Padmanabhan for not answering the audit objections are not at all convincing In tead of putting their heads together and trying to meet the objections with the records available, they have dealt at great length of what they have already done and have tried to shift the blame as far as the responsibility for the irregularity is concerned The objection statements seems to have been sent to Sri S Bombhore for furnishing replies But he too seems to have slept over the matter not caring for the consequences Finally on 20-11-52 the Corporation Engineer reported that the Audit objection could not be reconciled for want of necessary vouchers by any one of the existing incumbents and that the objections in most cases require merely book adjustments not involving any financial loss to the Corporation and that under these circumstances it was not possible to furnish the details for Rs 10,000/- Based on this report the Standing Committee (Accounts) recommended to the Corporation on 24-12-52 that the sum of Rs 2 632/- due by Sri S P Bombhore, towards the loss of cement bags be written off as no details were available and that as the responsibility for the missing building materials cannot be fixed, the matter may be dropped The Corporation then

passed the following resolution on 25-3-53

esolved that the recommendation of the Standing
ommittee (Accounts) dated 24-12-52 that the sum of Rs 2,634/-
be by Sri [illegible] Narbhore, ex-Store Keeper of the Bangalore City
Municipality towards the loss of cement bags be written off in
view of the Engineer's report that no details are available and
that further loss cannot be accounted properly and that the
responsibility for the missing building materials cannot be fixed
and that the matter be dropped, be approved."
The above resolution of the Corporation was approved in Government
Order [illegible] dated [illegible] Commenting on this
Government Order the Auditors, Corporation of the City of Bangalore
has requested the Commissioner in his letter [illegible] dated
26-6-53 to arrange the Government to communicate all such orders
through Internal Department as per Article 324(a) of the Secre
Financial Rules. It is to be mentioned to have been taken by the
Commissioner on this letter of the Auditor

At this stage the Government in their communication
[illegible] dated 2-[illegible] having referred the matter
to the Special Officer, Efficiency Audit to examine the matter
and to report under Section [illegible] of the Corporation Act in the
event it is [illegible] for the past four years or more
and [illegible] taken action to dispose of the matter, a reference was
made to the Commissioner of the Corporation and this office
No. [illegible] dated 9-6-53 to have the necessary records
available. In response thereto the Commissioner, in his letter
No. [illegible] dated 7-7-53 addressed the Secretary to
Government [illegible] and Planning Departments, for
[illegible] matter as stated in view of the resolution of
the Corporation dated 25-[illegible] and the Government Order No.
[illegible] dated 21-5-53 thereon

[illegible] is a matter that has to be stated that the
[illegible] Committee (Accounts) has recommended for the write
[illegible] this [illegible] Audit Report [illegible]

available This assumption could not be upheld as the detailed audit report of the Comptroller dated 27-6-48 has brought out clearly ho there has been a shortage of 1958½ bags of cement valued at Rs 7,833/- between the period 23-1-45 and 12-4-48 Out of this a sum of Rs 5 20/- was immediately made good by the Store Keeper Sri Bombhore leaving a balance of Rs 2 6,3/- till to be recovered Sri Bombhore has also agreed to make good even this balance amount vide his petition dated 2-7-48 wherein he had requested that the arrears of pay and other allowances due to him may be adjusted towards the balance amourt due by him On the face of this undertaking by the Store Keeper, it is not clear how the Accounts Committee could recommend for the write off of this shortage on the alleged ground that the details are not available

(S Ramachendra Gupta) 28/8/
SPECIAL OFFICER I/C

SUBJECT

Section

File No

Serial No

Diary No of letter replied to 5369

No. 12159/E1

to 28-12-54

The Board of Revenue
Bangalore

General and Revenu Secretariat

( )

the 19

Sir

Date of issue

Signed by

With reference to the above I am directed to state that the request has been examined in the Secretariat and there is no objection (Commanchalah)

List of enclosures

Copied by

Examined by

WD C61 1—GPB—30 000—4 6 19

744

RNMENT OF MYSORE

OFFICE OF
IPAL BRA
Office of the
Special Officer Efficiency Audit
Bangalore
Date 7th January 1955

To The Secretary to the Government of Mysore
Education & Local Self Government Department BANGALORE

SUBJECT - Audit of the stores accounts of the Engineering Section of the Corporation of the City of Bangalore for the period 1940-48

With reference to your letter No L 12159 dated El dated 28-12-1954 re the above I write to state that consequent on the receipt of your original reference No L 1830/C M 10-54-4 dated 21-5-1954 on this subject, this office had entered into correspondence with the Commissioner of the Corporation of the City of Bangalore and I have perused the references and papers received from the Commissioner and recorded my opinion thereon on 7-10-1954 This office reference No A 554/54-55 dated 28-10-1954 sent to you during my absence on Privilege leave under the signature of my Personal Assistant has been in conformity with my opinion already on record, and the position has been sufficiently analysed therein It may however be stated that the resolution of the Corporation dated 25-3-1953 consists of the following two parts viz

(i) to write off the accounts a sum of Rs 2 632/- due by Sri S R Bhombore Ex-Store Keeper Bangalore City Municipality being the outstanding balance due from him under cement shortages

(ii) for dropping the question of fixing responsibility for the missing building materials worth Rs 10,000/- as the matter cannot be pursued in the absence of adequate details of records and references

This resolution of the Corporation was approved in Government Order No L 2392-94 C M 100-53-2 dated 21-5-53 A study of this Government Order indicated that while the Government Order reads that the said resolution of the Corporation is approved the preamble to the above Government Order refers only to the first part of the resolution relating to cement shortages and does not seem to relate to the shortages of building materials valued at Rs 10 000/- Even this doubt has been cleared by your recent letter No L 9472/C M 10-54-10 dated 13-10-1954 addressed to the Commissioner which purports to drop the entire

matter under the circumstances explained in his letter No A S 429/47-48 dated 7-7-1954 addressed to you It is therefore felt that there is no scope for proceeding further in the matter now unless Government desires for a reinvestigation of the entire matter I would therefore request that the matter may be kindly elucidated.

A brief note of the facts of the case has been forwarded to you in this office letter No E A 554/54-55 dated 28-10-1954 A copy of the same is however enclosed for your ready reference My opinion in the matter has however been furnished in the last but one para of above my letter of 28-10-1954

Yours faithfully,

K P Ramanathaiya

(K P Ramanathaiya)
SPECIAL OFFICER

Appendix F G —1]

SUBJECT Audit of the Stores accounts of the Engineering Section of the Corporation of the City of Bangalore for the period 1940-48

Diary No of letter replied to 7447

Section CH

File No

Serial No

Mysore Government Secretariat

( )

the 195

No L

To The Special Grade Officer Audit Bangalore

Date of issue

Sir

Ref your letter No E A 991/48-49 dated 27-7-50 with reference to the above requesting clarification of the G.O No L 2392-94/CH 100 33-2 dated 21-5-33 for Proceeding further for a re-investigation of the above matter, I am directed to state that the G.O dated 21-5-33 relates to the writing off of a sum of Rs 2632/- due from Sri S R Bombhore ex-store keeper of the

Issued by

May

List of enclosures

Copied by

Examined by

ernst Rle Bangalore city Municipality
Re letter no L 82472/CR/10-54-10
dated 13-10-1954 relates to
the dropping of action
against the person or persons
responsible for pigeon holing
this ~~the Communication~~ Communication no L 3319
dated 16-9-1949 without
furnishing the report
called for, from 16-9-49 to
3-7-1954 therefore none
of the above orders
relates to the dropping of
the question of fixing the
responsibility for the missing
building materials worth
Rs 10000/- further Proceedings
for re-investigation in this
behalf may kindly be taken
up early

you have ~~it~~ suggested
by you in your letter

PWD I

M G S App F G 3]

MYSORE GOVERNMENT
SECRETARIAT

Continuation sheet draft form)

Subject to appeal

with reference to the C O
dated 21-5-53
Flag V

No C A 552/54 5 dated
28-10-54 that the writ
of Rs 2632/ may not
have been decreed in
view of the fact that the
Prosecution of Sh S R Bombore
was withdrawn only on the
assurance that the amount
would be made good by him
But in view ~~of the matter may also~~
Standing Committee and Copy
be kindly examined.
that the amount of Rs 2632/- may
be written off as on the ground
that ~~delay~~ there were no defects and
I f

that the Responsibility could
not be fixed, Govt agreed
with that recommendation
~~of the Corpn~~ If what
the Corpn has stated is not
correct, if there are vouchers
other details, from the
Responsibility - should have to be
fixed

Subject to appl

by Council
Con 486

Record.L

Copy to the Commissioner
C&B through the Mayor
for information

WD 04860—GPB—40 000—22

Good Luck

Confidential Cm 9 35-2

15

DRAFT

To 1265 28-5-53

The Special Officer,
Efficiency Audit,
Bangalore

Sir,

Subject Audit of the stores accounts of the Engineering Section of the Corporation of the City of Bangalore for the period, 1940-48
Ref - Your letter No L A 991/54-5 dt 7-1-55

With reference to the above requesting clarification of the Government Order No L 2392-94/C M 100-53-2 dated 21-5-53, for proceeding further for a reinvestigation of the above matter, I am directed to state that the Government Order dated 21-5-53 relates to the writing off of a sum of Rs 2,632/- due from Sri S R Bombhore, ex-store keeper of the erstwhile Bangalore City Municipality The letter No L 8472/C M 10-54-10 dated 13-10-1954, relates to the dropping of action against the person or persons responsible for pigeon-holing this office communication No 3319 dated 16-9-1949 without furnishing the report called for, from 16-9-1949 to 3-7-1954 Therefore, none of the above orders relates to the dropping of the question of fixing the responsibility for the missing building materials worth Rs 10,000/- ~~Further proceedings or investigation in this behalf may kindly be taken up early.~~ If there is any material for fixing the responsibility for the missing of building materials of the value of Rs 10000/, the same may be furnished

You have suggested in your letter No L A 554/54-55 dated 28-10-1954 that the write off of Rs 2,632/- may not have been deserved in view of the fact that the prosecution of Sri S R Bombhore was withdrawn only on the assurance that the amount would be made good by him But in view of the resolution of the Standing Committee and Corporation that the amount of Rs 2,632/- may be written off the accounts on the ground that there were no details and that

that the responsibility could not be fixed, Government agreed with that recommendation of the Corporation If what the Corporation has stated is not correct and if there are vouchers and other details, then the responsibility should have to be fixed

Yours faithfully,

16 5 57

30/4

Secretary to Government,
Education & L S G Departments

Memo No L

Copy to the Commissioner, Corporation of City of Bangalore, through the Mayor, for information

Copy shown and Sent

30/4

Secretary to Government,
Education & L S G Departments

HGN 27/4

Ad 28-5-55

2 per R065/CM 9-55-2

1h

CONFIDENTIAL

The
Education & L S G Departments

To

The Special Officer,
Efficiency Audit,
Bangalore

Sir,

Subject Audit of the Stores accounts of the Engineering Section of the Corporation of the City of Bangalore for the period 1940-48

Reference Your letter No F A 991/54 dated 7-1-55

With reference to the above requesting clarification of the Government Order No L 2392-94/CM 100-53-2 dated 21-5-1953, for proceeding further for a reinvestigation of the above matter, I am directed to state that the Government order dated 21-5-1953 relates to the writing off af a sum of Rs 2,632/- due from Sri S R Bombhore, ex-store-keeper of the erstwhile Bangalore City Municipality The letter No L 8472/CJ 10-54-10 dated 13-10-1951, relates to the dropping of action against the person or persons responsible for pigeon-holding this office communication No L 3319 dated 16-9-1949 without furnishing the report called for, from 16-9-1949 to 3-7-1954 Therefore, none of the above orders relates to the dropping of the question of fixing the responsibility for the miss in building materials worth of Rs 10,000/ If there is any material for fixing the responsibility for the missing of building materials of the value of Rs 10,000/- the same may be furnished

2 You have suggested in your letter No E A 554/54-55 dated 28-10-19 that the write off Rs 2,632/- may not have been 'deserved' in view of the fact that the prosecution of Sri S R Bombhore was withdrawn only on the assurance that the amount would be made good by him But in view of the resolution of the Standing Committee and Corporation that the amount of Rs 2,632/- may be written off the accounts on the ground that there were no details and that the responsibility could not be fixed,

Government agreed with that recommendation of the Corporation

Yours faithfully,

27/8

(V Harumanthappa)
for Secretary to Government,
Education & L & G Departments

knr-2/26 5

Appendix F G —1]

SUBJECT Audit of Stores account of the Superintending Engineer Cauvery Electrical Division Bangalore for the year 1954-55

ıary No of letter replied to 1447/ME

Mysore Government Secretariat

( )

the *195*

Date of issue

Signed by

List of enclosures

Copied by

Examined by

2 Cys

Section CM

File No

Serial No

No L 3723 Dt 6/7/55

To The Special Officer Efficiency Audit-Bangalore

Sir,

I am directed to invite reference to this Office letter no L 2063/CM 9-55-2 dated 28-5-55 and to request that the report of enquiry and the above subject may kindly be communicated

Yours

Asst Secy

C F No 45]

CM.9-55-1

GOVERNMENT OF MYSORE

OFFICE OF
Office of the
Special Officer - Efficiency Audit
Bangalore

No 2A 69/55-6
Encls

Date 13th July, 1955

To

The Secretary to Government,
Education and Local Self-Government Departments,
BANGALORE.

Sir

SUBJECT Audit of Stores accounts of the Engineering Section of the Corporation - Loss of building materials costing Rs 10,000/-

With reference to your letter No L 3723 dated 6th July 1955, on the above subject, I write to state that the Municipal Commissioner who was addressed in the matter of making the records available for audit, has replied in his letter No B S 429/47-48, dated 21-6-1955 (copy enclosed) stating categorically that the matter has been finally settled, under Order of Government No 8377/C M 31-54-10, dated 13-10-1954

Consequently a further reference is ~~sent~~ made (copy enclosed) in this office No 583/55-56, dated 4-7-1955, intimating that the Government do not accede such an interpretation of the Government Order quoted by him and that a scrutiny of the records would only be in the best interest of the Corporation and that necessary records be even now made available to enable this office to carry out orders of Government in this behalf I consider it desirable that the Government also suitably address the Commissioner with a view to expedite action

Yours faithfully,

(M K Appajappa)
SPECIAL OFFICER,
EFFICIENCY AUDIT

Letter No B 5 429/47-48, dated 21st June 1955, from the Commissioner, Corporation of the City of Bangalor to the Special Officer, Efficiency Audit, B'lore

SUBJECT Audit of the Stores Accounts of Engineering Section of the Corporation of Bangalore for the period from 1940-1948

Adverting to your letter No E A 407/55-56, dated the 3rd June 1955, on the above subject, I write to inform you that 5 collections of files containing the objection statements issued by the Special Auditor during 1949 were sent to you with this office No A 5-429/47-48 dated the 8th July 1954

The Standing Committee (Accounts) before whom the matter was placed for consideration at their meeting held on 24th December 1952, recommended that the sum of Rs 2,632/- due by Sri S R Bhombore, Store-Keeper, Bangalore City Municipality, towards loss of cement bags, be written off in view of the Corporation Engineer's Report that no details are available and that further loss could not be accounted for properly and the responsibility for loss of the building materials worth about Rs 10,000/- could not be fixed and that the matter be dropped This was approved by the Corporation in their resolution No 40 dated the 25th March 1953 (copy enclosed) and also by the Government in their Order No L 2392-94/C M 100-53-2, dated the 21st May 1953 (Copy Enclosed) Accordingly, the balan- of amount of Rs 2,632/- was written off as per the above Government Order Hence, the matter of cement bags was closed then alone

On a further reference from Government on

3rd July 1954, the Government were informed office letter No A 5 429/47-48 dated the 7th July 1954 (copy enclosed) that the objection relating to probable value of building and other materials worth about Rs 10,000/- could not be reconciled for want of necessary vouchers etc-, by any one of the existing incumbents and that the store accounts are now kept correctly and periodically checked and that the matter be treated as closed in view of the above resolution of the Corporation In reply, the Government in their Order No L 8472/C M 31-54- dated the 13th October 1954, have directed that the matter may be dropped in view of the fact that the accounts are being maintained and checked regularly at present In the above circumstances, the whole matter has been finally settled

"Copy"

(S Pamachendra Gupta) 15/7/55
FOR SPECIAL OFFICER
EFFICIENCY AUDIT

RESOLUTION OF THE CORPORATION MEETING HELD ON 25th MARCH 1953

40 Recommendation of the Standirg Committee (Accounts) dated 24th December 1952, that the sum of Rs 2,632/- due by Sri S R Bhombore, Ex-Store Keeper of the Bangalore City Municipality towards the loss of cement bags, be written off in view of the Engineer's report that no details are available and that further loss cannot be accounted properly and that the responsibility for the missing building materials cannot be fixed and that the matter be dropped

Sri A Chengalaroya Naidu moved the following resolution -

"Resolved that the recommendation of the Standing Committee (Accounts) dated 24th December 1952 that the sum of Rs 2,632/- due by Sri S R Bhombore, ex-Store Keeper or the Bangalore City Municipality towards the loss of cement bags, be written off in view of the Engineer's report that no details are available and that further loss cannot be accounted properly and that the responsibility for the missing building materials cannot be fixed and that the matter be dropped, be approved "

Sri C Rajagopalachar seconded the resolution and it was passed

(Sd) P Hanumanthaiah
Mayor

"Copy"

15/7/55
(S Ramachendra Gupta)
FOR SPECIAL OFFICER, E A

PROCEEDINGS OF THE GOVERNMENT OF MYSORE

R E A D -

Letter No H/16666/Pol 40-50-2, dated the 15th May 1950, ordering the withdrawal of the prosecution launched against Sri S R Bhombore, Ex-Store Keeper of the erstwhile Bangalore City Municipality in connection with the loss of cement bags in the Municipal Stores

2 Correspondence ending with letter No A 5 429/47-48, dated the 21st April 1953, from the Commissioner, Corporation of the City of Bangalore, forwarding for sanction the resolution dated 25th March 1953, of the Corporation, recommending the writing off of a sum of Rs 2,632/- due from Sri S R Bhombore, in view of the fact that no details are available and that further loss cannot be accounted for properly

ORDER No L 2392-94/C M 100-53-2,
DATED, BANGALORE, 21st May 1953

The above resolution of the Corporation is approved

(Sd) V Hanumanthappa,
For Secretary to Government, L S G
Planning Departments

"Copy"

(S Ramachendra Gupta) 25/7/53
FOR SPECIAL OFFICER

Letter No A 5 429/47-48, dated 8th July 1954, from the Commissioner, Corporation of the City of Bangalore, to the Secretary to the Government of Mysore, L S G & Planning Departments

Subject Special audit of stores accounts of the Engineering Department of the Bangalore City Municipality

--

Ref Your D O No Ch S 5124 dated 3-7-54

In enclosing herewith a copy of the Corporation Engineer's report on the above subject, I write to state that the Special Auditor who examinedd the Stores accounts had estimated his probable value of the building and other materials found as not accounted properly to the extent of Rs 10,000/- based on the several irregularities pointed out in the audit objections These objections could not be reconciled for want of necessary vouchers etc , by any one of the existing incumbents The matter was placed before the Standing Committee (Accounts) on 24-12-1952 and they recommended to write off the accounts, a sum of Rs 2,632/- due by Sri S R Bhombore, Ex-store Keeper, Bangalore City Municipality towards loss of cement bags and that in view of the Corporation Engineer's report that no details are available and the further loss cannot be accounted properly and the responsibili for the building materials cannot be fixed, the matter may be dropped This was approved by the Corporation in their resolution No 40 dated 25-3-1953 (copy enclosed) and by the Government in their Order No L 2392-94/C M 100-53-2, dated 21-5-1953 The Stores Accounts are now kept correctly and periodically checked by the Corporation Engineer and the Assistant Engineer in charge of the Stores without giving room for any irregularity The matter may therefore

be treated as closed in view of the above said resolution of the Corporation and order of the Government

"Copy"

(S Ramachendra Gupta)
FOR SPECIAL OFFICER
EFFICIENCY AUDIT

Letter No 8472/C M 31-54-10, dated 13-10-1954, from The Secretary to the Government of Mysore, L S G & Planning Departments, Bangalore to the Commissioner, Corporation of the City of Bangalor

Subject Special Audit of the Stores Accouhts of the Engineering Section of the Bangalore City Municipality from 1940 to 1948

Ref Your letter No A 5 & 429/47-48 dated 7-7-54

With reference to the letter cited above, I am directed to observe that it is surprising that in a well organised office like that of the Bangalore City Corporation detailed accounts of the Stores for the period in question are not available and the non-availability of the same has led to the writing off the accounts a loss to the extent of Rs 2,632/- I am, however, to convey the approval of Government to drop this matter in view of the fact that the accounts are being maintained and checked regularly at present

"Copy"

S Ramachendra Gupta 15/7/55

(S Ramachendra Gupta)
FOR SPECIAL OFFICER
EFFICIENCY AUDIT

Letter No 583/55-6 dated 4th July 1955 from the Special Officer, Efficiency Audit, Bangalore, to the Commissioner Corporation of the City of Bangalore Bangalore

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SUBJECT - Audit of the Stores accounts of Engineering Section of the Corporation of Bangalore for the period from 1940 - 1948

With reference to your letter No B 5-429/47-48 dated 21-6-1955 on the above subject, I write to invite your reference to this office letter No A 407/55-56 dated 6-6-1955 wherein it has been made clear that Government have opined that their communication No L 8472/C M 10-54-10 dated 13-10-1954 addressed to you does not refer to the waiving of objections relating to the missing of building materials worth Rs 10,000/- assessed by the Special Auditor during 1949 The directions to this office are to go into the matter and to see if responsibility could be fixed up for the missing building materials I therefore would like to state that it is but inopportune to enter into any controversy with this office on this subject On the other hand a scrutiny into the matter would only be in the best interest of the administration of the Corporation and I invite a helful appraisal of the fact or the case

As regards the objection statements No 1 to 353 issued by the Special Auditor during 1949, none of them are traced in the 5 collections of files sent with your letter No A 5 429/47-48 dated 8-7-1954 In para 3 of the report of the Special Auditor dated 13-8-1949 it has been stated that defects and irregularities numbering 1 to 353 noticed in the Special Audit were incorporated in objection statements which were given in 16 batches to the Municipal Commissioner for furnishing replies and that none of the objection memos were returned with replies till the conclusion of the special audit in spite of repeated reminders through the Government

I therefore request you kindly to forward the original objection statements together with replies if any received from the officers and officials responsible for the irregularities referred to therein If they are not readily traced your records the same may kindly be obtained from the Controller of State Accounts and to examine and intimate how far the defects and irregularities could be met with the records available in your office so as to enable me

to depute an auditor of this office for scrutinising them in connection with the report due to cover [illegible] in this office

Copy

[signature]
FOR SOCIAL OFFICER

15/7/51

No L 7425/CM 9-55-5

D 17 9 55

Education & L S G Departments

The Commissioner,
Corporation of the City of Bangalore,
thro' the Mayor

Subject - Audit of the Stores accounts of the Engineering Section of the Corporation 1940-48

In inviting reference to the letters No E A 407/55-56 dated 3-6-1955 and No 583/55-56 dated 4-7-1955, addressed to you by the Special Officer, Efficiency Audit, Bangalore, requesting to make available the connected records relating to the above subject, I am directed to state that Government consider that it is necessary to get the records of the Corporation pertaining to the case scrutinised by the Special Officer I am therefore to request you to be so good as to make available the said records to the Special Officer, for scrutiny, very early

Yours faithfully,

Sd/Hanumanthappa)
For Secretary to Government,
Education & L S G Departments

HG I 3.14/9

Memo No L 7426 D 17 9 55

Copy of the above is forwarded to the Special Officer, Efficiency Audit, Bangalore, for information, with reference to his letter No E A 698/55-56 dated 13-7-1955

(V Hanumanthappa)
For Secretary to Government,
Education & L S G Departments

S App F G 3]

MYSORE GOVERNMENT

SECRETARIAT

—— 30m

(Continuation sheet draft form)

No 7425/CM 9-55-1
D 17 9 55

To

The Commissioner of Coorg
Mercara

Sir

Sub: Audit of the stores accounts of the Engineering Section of the Coorg Range - 1940 48

In inviting reference to the letter No E A 407/53-56 dated 3-6-1953 and No 583/53-56 dated 4-7-1955 addressed to you by the Special Officer, Efficiency Audit, Bangalore, requesting to make available the Connected records relating to the above subject

Page 19
Page 15

WD 04860—GPB—40 000—22 1 54

directed to make / mak
Government Considered that it is
necessary to get the records of the corporation
relating to the case
accounts ~~completed~~ and returns by the special officer
2 some time to acquai
you to be so good as
as to make available
the said records for [to the special officer
~~scrutiny~~ by early

Y. I

for Secretary

Memo No L 7426 D 17 55
City Civil & Sessions Court.
In reference to his
letter No CA 698/55-6
dated 13-7-1955

Bad order

CORPORATION OF THE CITY OF BANGALORE

No B 5-429/47-48

.cl

5021

12 OCT 1955 CORPORATION OFFICES BANGALORE

MUNICIPAL BRANCH

Dated 5th October, 1955

FROM

D R CHENNARUDRAIYA B A M Sc
COMMISSIONER

CORPORATION OF THE CITY OF BANGALORE
BANGALORE

To

The Secretary to the Govt , of Mysore,
Education & Local Self-Government Departments
Bangalore

11 OCT 55

Sir

ct 9-55-6

SUBJECT - Audit of the Stores Accounts of the Engineering Section of the Corporation 1940-48

Adverting to your letter No L 7425/C J 9-55-5 dated 17th September 1955 regarding the above subject, I write to state that all the available records relating to the subject, have already been sent to the Special Officer, Efficiency Audit, Bangalore, with this Office letter No B 5-429/47-48 dated 2-8-1955 (copy enclosed for information)

Yours faithfully,

(V P DEENADAYALU NAIDU)
MAYOR

(D R CHENNARUDRAIYA)
COMMISSIONER

SVR/2

Letter No B 5-429/47-48 dated 2nd August 1955 from the Commissioner, Corporation of the City of Bangalore, Bangalore to the Special Officer Efficiency Audit, Bangalore

SUBJECT - Audit of the Stores account of Engineering Section of the Corporation of Bangalore for the period from 1940-48

As desired in your letter No 583/55-56 dated the 5th July 1955 on the above subject, I forward herewith the original audit objections

Original audit objections of the Engineering Stores for 1940-41 numbering 1 to 353 - (Number of pages 428)	relating to the erstwhile City Municipal Stores which were sent in 16 batches by the Special Auditor

action taken in this behalf from the beginning to the end is available in the file of 5 collections which were sent to you with this Office memo No A 5-429/47-48 dated 5th July 1954

In this connection, I enclose herewith for information a copy of Corporation Engineer's report dated 6-7-54 of the complete history of the case He has stated therein that the objection could not answered for want of necessary vouchers etc , by any one of the existing incumbants The Corporation before whom the matter was placed for consideration resolved at their meeting held on 25-8-55 (copy enclosed)

(1) That the sum of Rs 2,632/- due by Sri S R Bombore, ex-Store Keeper, Bangalore City Municipality towards loss of cement bags be written off in view of the Corporation Engineer's report stating that no details are available and

(2) that further loss could not be accounted for properly and the responsibility for loss of the building materials worth about Rs 10,000/- could not be fixed and that the matter be dropped

On a reference made to Government in this Office letter No A 5-429/47-49 dated 7th July 1954, they have directed in their Government Order No L 8472/C A 31-54-10 that the matter be dropped in view of the fact that the accounts are being maintained and checked regularly at present (copy enclosed)

C O P Y "

N S Aaalumpur
FOR COMMISSIONER,
CORPORATION OF BANGALORE

SVR)

Re Audit of stores accounts
of the Engineering section
the corporation

No 9566/CR 9-55-7
Dt 2-11-55

To,
The special officer, Efficiency
Audit

Sir

With reference to your letter
No E A 698/55-6 dt 13-7-55
on the above subject, I am directed
to state that the Commissioner, C.C.
has since reported that he has
sent the records to your office on 2/8.
I am to request you to send the
report called for ~~immediately~~ early

Yours
[signature]
Asstt

DRAFT

No L 9566/CM 9-55-7
D 2-11-55

The

Education & L S G Departments

The Special Officer
Efficiency Audit, Bangalore

Sir,

Reg - Audit of Stores Accounts of the Engineering Section of the Corporation

With reference to our letter no L A 698/55-56 dated 13-7-1955, on the above subject, I am directed to state that the Commissioner Corporation of the City of Bangalore, has since reported that he has sent the records to your office on 2-8-55. I am to request you to send the report called for early

Yours faithfully,

(H A Meccai)
For Secretary to Government,
Education & L S G Departments

FG 2/1 11

supervision over the work of the Store Keeper

DRAFT

PROCEEDINGS OF THE GOVERNMENT OF MYSORE

READ -

Letter No A5 C 429/47 dated 3-7-1948, from the Municipal Commissioner, Bangalore City Municipality, forwarding the final report of the Asst Comptroller, Bangalore Local Audit Section on the accounts of the Municipal Stores of the Engineering Department of the Bangalore City Municipality and stating that it is clear from the report that the Store Keeper, Sri S R Bhombore was mainly responsible for the shortage of 1,950 bages of cement pertaining to the period from 23-1-45 to 12-4-48, thereby causing loss to the Municipality to the extent of Rs 7,833/-

2) Letter No 87/L A C II, dated 5/13-8-49, from the Comptroller to the Government of Mysore, forwarding the special audit report embodying several serious irregularities noticed during the course of audit of the accounts of the Engineering Department of the Bangalore City Municipality and bringing to notice a huge loss to the Municipality to an extent of Rs 10,000/- being the probable value of building and other materials found not accounted for properly, in addition to the loss of about Rs 7,833/- on account of shortage of cement bags already reported, of which a sum of Rs 5,200/- has been recovered from the Store Keeper Sri S R Bhombore and credited to the Municipal Treasury leaving a balance of Rs 2,633/- still to be recovered and observing that the irregularities occurred and loss sustained were due owing to failure to observe and enforce the account rules on the part of the successive Municipal Executive Engineers and their Head Clerks and want of prope supervision over the work of the Store Keeper

3 G O No L 2392-94/C M 100-53-2 dated 21-5-1953, approving the resolution of the Corporation dated 25-3-1953, for writing off a sum of Rs 2,632/- due from Sri S R Bhombore towards the loss of cement as the details were not available and further loss could not be accounted for properly

4 G O No L 1828/C M 10-54-3 dated 21-5-54 authorising the Special Officer, Efficiency Audit to audit the stores account of the Engineering Section of the Bangalore Corporation and to send a report

5 Correspondence ending with U O Note No E A 1-583-7 dated the 8th June 1956, from the Special Officer, Efficiency Audit, submitting a report on the result of reinvestigation of the Stores Accounts of the Engineering Section of the Corporation

---

ORDER NO L 11419-23/ea 9-55-8

DATED, BANGALORE, THE 27/10/56

The total loss to the Bangalore City Municipality on account of shortage of cement and building and other materials amounted to 17,833/- as disclosed in the Special Audit Report Several irregularities of a serious nature were brought to light by the Audit Department in examination of the accounts of the Municipal Stores of the Engineering Department, covering a period of 8 years commencing from 1st July 1940 It was observed that the irregularities that occurred and the loss sustained were due to the failure on the part of the successive Municipal Engineers and their Head Clerks to observe and enforce the accounts rules and to want of supervision over the work of the Store

Encl A slg/dated '49

2 The Special Audit Report was therefore sent to the Municipal Commissioner, Bangalore City Municipality on the 16th September 1949, for sending replies to the several observations and for obtaining the explanations of the Municipal Engineers concerned for the non-observance of accounts rules He was also requested to place the Audit report before the Municipal Council for their opinion and to send a report to Government in detail on the subject covering every item in the Special Audit report

3 Of the total amount of loss it was reported that a sum of Rs 7,833/- was on account of the shortage of cement to an extent of 1,958½ bags and that Sri S R Bombhore who was the Store Keeper during the period and responsible for this loss, was kept under suspension and a complaint was lodged against him with the Police Subsequently It was reported that Sri S R Bhombore had paid a sum of Rs 5,200 and had requested ~~the Municipal Council~~ that the case launched against him may be withdrawn and that the balance of the amount due by him towards the cost of the cement found short could be made good by adjusting the arrears of pay and allowance due to him In view of this representation, and in consideration of the long period of service rendered by the official and of the fact that a major part of the amount had been paid and the balance could be recovered from the pension and other amounts due to the official, the Municipal Council recommended to Government that the prosecution launched against Sri S R Bhombore might be withdrawn and the official ~~retained~~ relieved from service forthwith Government accordingly permitted the withdrawal of the prosecution

4 As regards the irregularities noticed in the Audit report and the shortage of building and other materials costing over Rs 10,000/- none of the observations were replied to inspite of repeated reminders from Government and the Audit Department After a lapse of five years, the Engineering Department reported to the Corporation that it was not possible to furnish details and that the responsibility could not be fixed for ~~missing~~ this building and other materials missing Accordingly, the Corporation of the City of Bangalore passed a resolution on 25-3-1953 recommending that the sum of Rs 2,632 due by Sri S R Bombhore etc , Store Keeper of the Bangalore City Municipality towards the loss of cement bags be written off in view of the Engineer's report that no details were available that further loss could not be accounted for properly and that the responsibility for the missing building materials could not be fixed and that the matter be dropped Government approved of the resolution of the Corporation in their order dated 21-5-1953 read above to write off the amount due by Sri S R Bombhore

5 No orders were issued, however, in respect of the missing building materials The extent of loss on this account estimated at Rs 10,000/- is only the approximate value of the articles found missing as disclosed in the audit report This ought to have been further investigated and the several observations of the Audit Department answered satisfactorily The Engineer Officers did not show any earnestness or seriousness to dispose of the audit objections The matter could not therefore be brought to a close Accordingly, Government authorised the Special

Officer, Efficiency Audit in their order dated 21-5-1954 read above, to audit once again the stores accounts of the Engineering Section of the Corporation of the City of Bangalore for the period covered by the Special Audit report and send a report on the result of investigation

6) The Special Officer, Efficiency Audit, has furnished on 26th June 1956 a detailed note on the subject The important observations made in the note are indicated below -

(i) The audit report issued by the Special Auditor on 13-8-1949 relating to the store accounts of the erstwhile Bangalore City Municipality for the period from 1-7-1940 to 30-6-1948 disclosed that a loss to the tune of Rs 10,000/- being the probable value of the building and other materials has not properly accounted for It is ascertained that the Engineer Officers and the Store Keepers whose names are indicated below were in direct charge of the Store Section during the period noted against each -

The sentence is not complete

Municipal Engineers.

		From		To.
1	Sri D Govindappa, B Sc ,	1-7-40	-	31-8-44
2	" R Madhavan, B E	1-9-44	-	27-4-47
3	" S Biligiri Rao, B E	28-4-47	-	30-4-48
4	" K Padmanabhan, B E	1-5-48	-	13-5-48
5	" G Krishnaswamy, B E	14-5-48	-	30-6-48

Store Keepers

1	Sri T Ramaswamy Setty	1-7-40	-	22-1-45
2	" S R Bhombore	23-1-45	-	12-4-48
3	" S N Surappa	13-4-48	-	30-6-48

(ii) The defects and irregularities noticed and incorporated in the objection statements are 353 It is noticed that consolidated statement of different articles of stores found as shortages has not been worked out by the Auditor nor is a statement of differences pertaining to each of the two store-keepers Sri T Ramaswamy

Setty and Sri S R Bhombore assessed Even the figure Rs 10,000/- specified by the Special Auditor as to the extent of loss to the Municipality is an approximate figure as disclosed in the audit report itself

(iii) A general review of the 353 objection statements discloses the following types of irregularities

(1) Omission to bring the articles purchased on the Stock Register The total loss to the Municipality on account of this irregularity is estimated at Rs 3,340/-

(2) Unauthorised issues of articles from stores without regular indents

(3) Fictitious issues, tampering of original figures in the Indent resulting in the falsification of accounts,

(4) Non-production of an important account Register viz , Stock Register of tools and plant for the period from 1-7-40 to 8-1-43

(5) Substituting old articles for new ones with a view to make up differences in stock balances

(6) Large differences between book and counted balances as disclosed at the time of periodical stock verification

(7) Incorrect carrying forward of balances of articles from one stock register to anotner, resulting in losses

(8) Cancellation of entries in the stock register without authority

(iv) The above irregularities are such that the Store Keepers concerned alone can give an explanation for the several omissions and commissions in this regard and after due consideration of their explanations, the exact loss should be traced to them The Auditor's report discloses that the major portion of the irregularities have been committed by Sri S R Bhombore Store Keeper and it is felt that he himself is answerable for the major portion of the differences, as opined by the Special Auditor

(v) The Corporation of the City of Bangalore however resolved on 25th March 1953 that the sum of Rs 2,632/- due by Sri S R Bhombore, Ex Store Keeper of the Bangalore City Municipality towards the loss of cement bags be written off in view of the Engineer's Report that no details were available, responsibility cannot be fixed etc Government no doubt approved the resolutio of the Corporation in their order No L 2392-94/E 100-53-2 dated 21-5-1953 On re-examination of the entire question regarding the loss sustained as noticed in the Audit Report, it is now considered that the grounds on which the resolution was passed seem to be not correct since the loss on account of cement is of a specific nature for which full details are available in the special audit report dated 27-6-1948

(vi) The total shortage of cement bags for the period from 23rd January 1945 to 12th April 1948 is assessed at 1,959½ bags costing Rs 7,833/- and this shortage pertains to the period during which Sri S R Bhombore was the Store-Keeper From the records it is seen that the explanation of Sri S R Bhombore was called for by the Municipal Commissioner on 29th April 1948 and again on 1st July 1948 But, no specific explanation of Sri Bombhore for the alleged shortage is on record He ought to have offered his explanation and re-conciled the figures Having so far not adopted any procedure under which specific charges were framed, communicated and findings given on the explanation received thereon, it cannot be said that any blame for these shortages are traced to this store keeper so far If he is fully exonerated as now recommended

Para 56

The Auditor, C C

Letter No B 12-195/55-56 d 1-6 1955

the Commissioner is by the Corporation in ~~pursuance of their resolution dated 7th April 1956,~~ Sri Bombhore has a valid ground to claim back the sum of Rs 5,200/- which was deposited by him during the course of audit as there was nothing to show that the objections have been proved against him

(vii) In ~~the circumstances,~~ view Government Order No L 2932-94/C M 100-53-2 dated 21st May 1953, may have ~~be~~ to be withdrawn in the matter as the audit report discloses serious irregularities and lapses and the order was not also issued through the Financial Department

(viii) The Commissioner Corporation of the City of Bangalore may be requested to frame specific charges with regard to the shortages under cement amounting to Rs 7,833/- and to oth items of the stores valued at Rs 10,000/- and draw up the findings after obtaining the explanations of the officials concerned to the charges so framed

(ix) For purposes of charge-sheeting the officials responsible for the losses, it is necessary to fix the value of articles indicated as shortages in the Audit Report and to analyse the shortages between the first two store keepers who held charge between ~~xxxxxxx xxxxxxxxxxxxxxxxxx~~ 1st July 1940 to 12th Apri 1948 This work involves the verification of original supply bills of the stores as also an analysis of the differences contained in the objection statements running to 428 pages Th work may be entrusted to the Auditor attached to the Corporation of the City of Bangalore ar the Controller, State Accounts Department

Para 51

(x) At the same time it is necessary that

~~The C.E. of Mysore, Bangalore.~~
The Auditor, C C P

Special notices has also to be taken of the failure on the part of the Engineer officers whom have failed to exercise adequate supervision over the work of the store-keepers which has enabled them(Storekeepers) to defraud the Municipality

7) Government agree in the views of the Special Officer, Efficiency Audit, and consider it desirable to pursue the matter which requires thorough investigation on the lines suggested by him They accordingly direct that the order dated 21-5-1953 read above relating to the ~~write~~ off from the accounts of the Corporation Stores, the sum of Rs 2,632/- still due by Sri S R Bombhore, be withdrawn

8) The Commissioner, Corporation of the City of Ba---ore is requested to take necessary action on the lines suggested by the Special Officer, Efficiency Audit in paras,/(viii),(ix) and (x) of the U O Note, indicated above, with the assistance of the Controller, State Accounts Department He is requested to send without delay a report to Government on the findings after framing specific charges in respect of the shortage of cement and building and other materials missing, valued over Rs 17,833/- and obtaining the explanations of the officials concerned to the charges so framed, with special reference to the failure on the part of the Engineer Officers in-charge during the period to exercise adequate supervision over the work of the store-keepers

Secretary to Government,
Education & L S G Department:

TO

The Commissioner, C C R thro' the Mayor
The Controller, S A D
The Spl Officer, Efficiency Audit
The C E, of Mysore, Bangalore
The Auditor, C C P

HGN/dft/6 1

PROCEEDINGS OF THE GOVERNMENT OF MYSORE

Letter No A5 C 429/47 dated 3rd July 1948, from the Municipal Commissioner, Bangalore City Municipality, forwarding the final report of the Assistant Comptroller, Bangalore Local Audit Section on the accounts of the Municipal Stores of the Engineering Department of the Bangalore City Municipality and stating that it is clear from the report that the Store Keeper, Sri S R Bhombore was mainly responsible for the shortage of 1,958½ bags of cement pertaining to the period from 25-1-1945 to 12-4-1948, thereby causing loss to the Municipality to the extent of Rs 7,833/-

2) Letter No 87/L A C II, dated 5/13-8-1949, from the Comptroller to the Government of Mysore, forwarding the special audit report embodying several serious irregularities noticed during the course of audit of the accounts of the Engineering Department of the Bangalore City Municipality and bringing to notice a huge loss to the Municipality to an extent of Rs 10,000/- being the probable value of building and other materials found not accounted for properly, in addition to the loss of about Rs 7,833/- on account of shortage of cement bags already reported, of which a sum of Rs 5,200/- has been recovered from the Store Keeper Sri S R Bhombore and credited to the Municipal Treasury leaving a balance of Rs 2,633/- still to be recovered and observing that the irregularities occurred and loss sustained were due to failure to observe and enforce the account rules on the part of the successive Municipal Executive Engineers and their Head Clerks and want of proper supervision over the work of the Store Keeper

3) Government Order No L 2392-94/C M 100-53-2 dated 21-5-1953 approving the resolution of the Corporation dated 25-3-1953, for writing off a sum of Rs 2,632/- due from Sri S R Bhombore towards the loss of cement as the details were not available and further loss coud not be accounted for properly

4) Government Order No L 1828-9/C M 10-54-3 dated 21-5-1954 authorising the Special Officer, Efficiency Audit to audit the stores account of the Engineering Section of the Bangalore Corporation and to send a report

(Contd

5) Correspondence ending with U O Note No E A 1-583-7 dated the 8th June 1956, from the Special Officer, Efficiency Audit, submitting a report on the result of reinvestigation of the Stores Accounts of the Engineering Section of the Corporation

ORDER NO L 11419-23/CH 9-55-8

DATED, BANGALORE, THE 27th OCTOBER 1956

The total loss to the Bangalore City Municipality on account of shortage of cement and building and other materials amounted to Rs 17,833/- as disclosed in the Special Audit Report Several irregularities of a serious nature were brought to light by the Audit Department in its examination of the accounts of the Municipal Stores of the Engineering Department, covering a period of 8 years commencing from 1st July 1940 It was observed that the irregularities that occurred and the loss sustained were due to the failure on the part of the successive Municipal Engineers and their Head Clerks to observe and erforce the accounts rules and to want of supervision over the work of the Store Keeper

2 The Special Audit Report was therefore sent to the Municipal Commissioner, Bangalore City Municipality on the 16th September 1949, for sending replies to the several observations and for obtaining the explanation of the Municipal Engineers concerned for the non-observanc of accounts rules He was also requested to place the Audit Report before the Municipal Council for their opinion and to send a report to Government in detail on the subject covering every item in the Special Audit Report

3 Of the total amount of loss it was reported that a sum of Rs 7,833/- was on account of the shortage of cement to an extent of 1,958½ bags and that Sri S R Bhombore who was the Store Keeper during the period and responsible for this loss was kept under suspension and a complaint was lodged against him with the Police It was reported subsequently that Sri S R Bhombore had paid a sum of Rs 5,200/- and had requested that the case launched against him may be withdrawn and that the balance of the amount due by him towards the cost of the cement found short could be made good by adjusting the arrears of pay and allowance due to him In view of this representation and in con-

consideration of the long period of service rendered by the official and of the fact that a major part of the amount had been paid and the balance could be recovered from the pension and other amounts due to the official the Municipal Council recommended to Government that the prosecution launched against Sri S R Bhombore might be withdrawn and the official relieved from service forthwith Government accordingly permitted the withdrawal of the prosecution

4 As regards the irregularities noticed in he Audit Report and the shortage of building and other materials costing over Rs 10,000/- none of the observations were replied to inspite of repeated reminders from Government and the Audit Department After a lapse of five years the Engineering Department reported to the Corpor tion that it was not possible to furnish details and that the responsibility could not be fixed for the building and other materials missing Accordingly, the Corporation of the City of Bangalore passed a resolution on 25th March 1953 recommending that the sum of Rs 2,632 due by Sri S. Bhombore etc , Store Keeper of the Bangalore City Municipality towards the loss of cement bags be written ew of the Engineer's report that no details were available that further loss could not be accounted for properly and that the responsibility for the missing x building materials could not be fixed and that the matter be dropped Government approved of the resolution of the Corporation in their order dated 21st May 1953 read above to write off the amount due by Sri S R Bhombore

5) No orders were issued, however, in respect of the missing building materials The extent of loss on this account estimated at Rs 10,000/- is only the approximate value of the articles found missing as disclosed in the audit report This ought to have been further investigated and the several observations of the Audit Department answered satisfactorily The Engineer Officers did not show any earnestness or seriousness to dispose of the audit objections The matter could not therefore be brought to a close Accordingly, Government authorised the Special Officer, Efficiency Audit in their order dated 21st May 1954 read above, to audit once again the stores accounts of the Engineering Section of the Corporation of the City of Bangalore for the period covered by the

cial Audit report and send a report on the result of investigation

6 The Special Officer, Efficiency Audit, has furnished on 26th June 1956 a detailed note on the subject The important observations made in the note are indicated below:-

(I) The audit report issued by the Special Auditor on 13th August 1949 relating to the store accounts of the erstwhile Bangalore City Municipality for the period from 1st July 1940 to 30th June 1948 ~~xxxx~~ discloses that a loss to the tune of Rs 10,000/- being the probable value of the building and other materials has not properly accounted for It is ascertained that the Engineer Officer and the Store Keepers whose names are indicated below were in direct charge of the Store Section during the period noted against each:-

MUNICIPAL ENGINEERS

			From		To
1	Sri D	Govindappa, B Sc ,	1- 7-40	-	34-8-44
2	" K	Madhavan, B E ,	1- 9-44	-	27-4-47
3	" S	Biligiri Rao, B E ,	28- 4-47	-	30-4-48
4	" K	Padmanabhan, B E ,	1- 5-48	-	13-5-48
5	" G	Krishnaswamy, B E ,	14- 5-48	-	30-6-48

STORE KEEPERS

1	Sri T	Ramaswamy Setty	1- 7-40	-	22-1-45
2	" S	R Bhombore	23- 1-45	-	12-4-48
3	" S	N Surappa	13- 4-48	-	30-6-48

(ii) The defects and irregularities noticed and incorporated in the objection statements are 353 It is noticed that consolidated statement of different articles of stores found as shortages has not been worked out by the Auditor nor is a statement of differences pertaining to each of the two store-keepers Sri T Ramaswamy Setty and Sri S R Bhombore assessed Even the figure of Rs 10,000/-specified by the special ~~officer~~ Auditor as to the extent of loss to the Municipality is an approximate figure as disclosed in the audit report itself

(iii) A general review of the 353 objection statements discloses the following types of irregularities:

1) Omission to bring the articles purchased on the Stock Register. The total loss to the Municipality on account of this irregularity is estimated at Rs 3,340/-

2) Unauthorised issues of articles from stores without regular indents

3) Fictitious issues, tampering of original figures in the Indent resulting in the falsification of accounts;

4) Non-production of an important account Register viz , Stock Register of tools and plant for the period from 1-7-40 to 8-1-43

5) Substituting old articles for new ones with a view to make up differences in stock balances

6) Large differences between book and counted balances as disclosed at the time of periodical stock verification

7) Incorrect carrying forward of balances of articles from one stock register to another, resulting in losses

8) Cancellation of entries in the stock register without authority

(iv) The above irregularities are such that the Store keepers concerned alone can give an explanation for the several omissions and commissions in this regard and after due consideration of their explanations, the exact loss should be traced to them. The Auditor's report discloses that the major portion of the irregularities have been committed by Sri S R Bhombore, Store keeper and it is felt that he himself is answerable for the major portion of the differences as opined by the Special Auditor

(v) The Corporation of the City of Bangalore however resolved on 25th March 1953 that the sum of Rs 2,632/- due by Sri S R Bhombore, Ex-Store keeper of the Bangalore City Municipality towards the loss of cement bags be written off in view of the Engineers Report that no details were available, responsibility cannot be fixed etc , Government no doubt approved the resolution of the Corporation in their order No L 2392-94/CM 100-53-2 dated 21st May 1953 On re-examination the entire question regarding the loss sustained as noticed in the Audit Report, it is now considered that the grounds on which the resolution was passed seem to be not correct since the loss on account of cement is of a specific nature for which full details are available in the special audit report dated 27th June 1948

(vi) The total shortage of cement bags for the period from 23rd January 1945 to 12th April 1948 is assessed at 1,958½ bags costing Rs 7,833/- and this shortage pertains to the period during which Sri S R Bhombore was the Store-keeper From the records it is seen that the explanation of Sri S R Bhombore was called for by the Municipal Commissioner on 28th April 1948 and again on 1st July 1948 But, no specific

on of Sri Bombhore for the alleged shortage is on record He ought to have offered his explanation and re-conciled the figures Having so far not adopted any procedure under which specific charges were framed and communicated and findings given on the explanation received thereon, it cannot be said that any blame for these shortages are traced to this Store keeper so far If he fully exonerated as now recommended by the Corporation in the Commissioner's letter No B 12-195/55-56 dated 1st June 1956 Sri Bombhore has a valid ground to claim back the sum of Rs 5,200/- which was deposited by him during the course of audit as there was nothing to show that the objections have been proved against him

(vii) In this view, Government order No L 2932-94/CM 100-53-2 dated 21st May 1953, may have to be withdrawn if the matter has to be pursued as the audit report discloses serious irregularities and lapses and the order was not also issued through the Financial Department

(viii) The Commissioner Corporation of the City of Bangalore may be requested to frame specific charges with regard to the shortage under cement amounting to Rs 7,833/- and to other items of the stores valued at Rs 10,000/- and draw up the findings after obtaining the explanations of the officials concerned to the charges so framed

(ix) For purposes of charge-sheeting the officials responsible for the losses, it is necessary to fix the value of articles indicated as shortages in the Audit Report and to analyse the shortages between the first two store-keepers who held charge between 1st July 1940 to 12th April 1948 This work involves the verification of original supply bills of the stores as also an analysis of the differences contained in the objection statements running to 428 pages This work may be entrusted to the Auditor attached to the Corporation of the City of Bangalore and the Controller, State Accounts Department

(x) At the same time it is necessary that special notice has also to be taken of the failure on the part of the Engineer Officers who have failed to exercise adequate supervision over the work of the store-keepers which has enabled them (Store-keepers) to defraud the

7) Government agree in the views of the Special Officer, Efficiency Audit and consider it desirable to pursue the matter which requires thorough investigation on the lines suggested by him They accordingly direct that the order dated 21st May 1953 read above relating to the writing off from the accounts of the Corporation Stores, the sum of Rs 2,632/- still due by Sri S R Bhombhore, be withdrawn

8) The Commissioner, Corporation of the City of Bangalore is requested to take necessary action on the lines suggested by the Special Officer, Efficiency Audit in paras (viii), (ix), and (x) of the Un-official Note, indicated above, with the assistance of the Controller, State Accounts Department He is requested to send without delay a report to Government on the findings after framing specific charges in respect of the shortage of cement and building and other materials missing, valued over Rs 17,833/- and obtaining the explanations of the offici concerned to the charges so framed, with special reference to the failure on the part of the Engineer Officers in-charge during the period to exercise adequate supervision over the work of the Store-keepers

(P HONNAPPA)
for Secretary to Government,
Education & L S G Departments

To

The Commissioner, Corporation of the City of Bangalore thro' the Major
" Controller, State Accounts Department, Bangalore,
" Special Officer, Efficiency Audit, Bangalore,
" Chief Engineer of Mysore, Bangalore,
" Auditor, Corporation of the City of Bangalore

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